

These Standard Terms of Engagement: Tax Agent Services (“Terms”) constitutes the entire agreement between the issuer of these Terms, **Stephen Carroll Trading as Canberra Tax Solutions ABN 43 600 434 005** (“us”, “we”, “our” or “this firm”) and the **Client** as identified at clause 34 (“I”, “client” “you”, “your” or “my”) herein collectively referred to as the “parties” concerning our work. This agreement supersedes all prior agreements, proposals, oral and written representations, and negotiations. All parties must make any additions in writing, agreed to, signed, and attached to these Standard Terms of Engagement. Please note that work cannot commence until the parties sign and accept our Terms.

## 1. PERIOD OF ENGAGEMENT

This engagement commences on the signing of these Standard Terms of Engagement: Tax Agent Services for the period of 1 July 2023 to 30 June 2024. Our Standard Terms of Engagement: Tax Agent Services are updated annually. We will not deal with earlier periods unless you specifically ask us to do so, in writing, and we agree.

## 2. INFORMATION WE ARE REQUIRED TO DISCLOSE

As a tax agent, our work for you is performed in accordance with the *Tax Agents Services Act (Cth) 2009*. Under this Act, the *Tax Agent Services (Code of Professional Conduct) Determination (Cth) 2024* requires that we make the following disclosures to you:

- a) Matters that could significantly influence your decision to engage us (or continue to engage us) for a Tax Agent service from 1 July 2022 onward including the following:
  - **No matters are applicable.**
- b) The Tax Practitioners’ Board (TPB) maintains a register of Tax Agents and BAS Agents. Our Tax Agent Number is 26029695. You can access and search this register at <https://www.tpb.gov.au/public-register>
- c) If you have a complaint about our Tax Agent services, you will need to contact our principal Tax Agent, Stephen Carroll by email first instance with details by email. If I am unable to resolve your complaint within three (3) business days. Your complaint will be investigated by an independent senior accountant, who is not involved in the subject matter of the dispute where possible. We will provide you with an acknowledgement email of the receipt of your complaint and our understanding of the circumstances. The email will inform you that we will attempt to resolve your complaint within fourteen (14) days, and we will outline the dispute resolution process. If you are unhappy with the outcome that we propose to you, you can then make a complaint to the TPB using the link listed above. The TPB will send you an email to acknowledge the receipt of your complaint, and review and risk assess your complaint. If you are unhappy with how the TPB has dealt with your complaint, the above link included details about your review rights and who can assist you further.

## 3. CLIENT IDENTIFICATION REQUIREMENTS

Effective 1 July 2023, under the Australian Taxation Office’s (ATO) online services for agents (OSfA) terms and conditions, registered tax agents must undertake a proof of identity (POI) check before undertaking any tax agent services to new clients. We use Annature for all our electronic client identification compliance. Annature’s secure identity verification service aligns to the ISO 27001 standard for security controls. There is a fee of \$12.00 (*inclusive of GST*) per POI check.

## 4. RESPONSIBILITIES

We will be responsible for the preparation of income tax returns, activity statements, the provision of specific taxation advice as requested from time to time, and the preparation of sole trader special purpose financial statements (if required). All income tax returns are subject to examination by the ATO. In the event of an examination, you may be requested to produce documents, records, or other evidence to substantiate items shown on your income tax return.

## 5. PURPOSE, SCOPE, AND OUTPUT OF THE ENGAGEMENT

It is important to note that our engagement includes the provision of taxation services as described in our engagement letter. This is in accordance with the relevant professional and ethical standards issued by the Accounting Professional & Ethical Standards Board Limited (APESB), including APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code). The extent of our procedures and services will be limited exclusively for this purpose only. As a result, no audit or review will be performed and, accordingly, no assurance will be expressed. Our engagement cannot be relied upon to disclose irregularities including fraud, other illegal acts and errors that may exist. However, APES 110 sets professional obligations for us to report non-compliance or suspected non-compliance with laws and regulations (NOCLAR) while providing a professional service to you. If we decide that disclosure of NOCLAR to the appropriate authority is the correct course of action, then such a disclosure will not be considered a breach of confidentiality under the Code.

## 6. OUR OBLIGATIONS

We must use reasonable efforts to complete the services within the agreed time frame in our engagement letter. We will perform the services with professional competence and due care, however the quality and timeliness of the services provided may be impacted by your obligations.

## 7. YOUR OBLIGATIONS

You must instruct us fully and respond to our enquiries arising during performance of the services in a timely manner in the provision of:

- a) All relevant financial information and source documentation required to complete your income tax return – we are entitled to rely on the accuracy of the information provided by you, your representatives, or your advisers without independently verifying that information.
- b) Access to files, records (electronic or physical), and information technology systems, to premises and to people (whether management or staff) with relevant skills and experience to respond to our enquiries.
- c) Written representations from you prior to finalising an engagement in relation to the completeness and accuracy of information that you have provided to us.
- d) We consider, and you acknowledge, and agree, that “in a timely manner” means within seven (7) days of our request for information, unless some other reasonable time frame has been agreed.

## 8. PROFESSIONAL FEES

Our fees will be calculated based on the actual time spent on taxation and accounting services where fees have not been agreed upon. Our fees assume that the source material you provide to us is reliable and usable to complete this engagement. The standard charge for our hourly based professional fee engagements and all other work including telephone calls, writing of file notes, the reading and drafting of emails, liaising, sending, and receiving documents to and from the ATO, your financial institution and/or mortgage broker, Services Australia, debt collection agencies, and all other entities. We will charge for any additional costs including travel, and accounting software. *Our current standard charge rate is \$320.00 per hour inclusive of GST.*

- a) For work undertaken for a period of less than one (1) hour, will be charged in six (6) minute increments, or part thereof.
- b) The minimum charge for written tax advice or objections is one (1) hour.
- c) An upfront retainer payment may also be required prior to us undertaking any work and is non-refundable once work has commenced.
- d) We cannot legally provide advice on home loans/mortgages, financial products, financial planning advice, or Family Assistance matters.

#### 9. CREDIT CARD AND ONLINE PAYMENT PROCESSING FEES

For all payments that are made online or via credit card, we may charge a processing fee of up to 2.2% per transaction. This fee covers the charges for processing card transactions and is not included in the standard service fees. The card processing fee may be calculated as a percentage of the total tax invoice amount and will be clearly indicated when a card is entered in our platform and will appear on all receipts issued by us.

#### 10. BILLING AND PAYMENT TERMS

- a) Fees for our services will be invoiced and are due and payable immediately upon us issuing a valid invoice, unless otherwise agreed, and prior to lodgment of your tax documentation. An administration fee of seventy-five dollars (\$75.00) may be levied on accounts that remain unpaid after seven (7) days. Should the account be unpaid after a period of fourteen (14) days following the issuing of a valid invoice, this firm reserve the right to use a debt collection agency or other legal means to recover outstanding fees. Further, this firm has a policy of on charging debt collection fees to clients, and bills in six (6) minute increments for all administrative time incurred pursuing unpaid accounts at our standard charge out rate as prescribed in clause 8. Our fees are payable even if you choose not to lodge the document through us.
- b) If any rebates or discounts have been extended in our invoice, the same may be reversed if the invoice is not paid within our payment seven (7) days of us issuing of a valid invoice, solely at our absolute discretion.
- c) Any estimate of the cost of service is only an estimate and the actual cost may vary. Our fee/s may change due to matters outside our control such as unforeseeable complications, the co-operation or otherwise of third parties, deficiencies in documentation provided and/or increased statutory charges. If the cost to you is likely to be significantly higher than originally estimated, we will contact you to explain the reasons for the likely increase.
- d) We may disclose information about a defaulted payment to a credit reporting agency after thirty (30) days. You will receive written notice by email advising you of our intention to list a default payment.

#### 11. DELAYS

We will not be liable for any failure or delay in performing the services if that failure or delay arises from anything beyond our control, including the untimely performance by you of your obligations as prescribed in clause 7, in which case we are entitled to review our fees and, if the delay is substantial, terminate our Standard Terms of Agreement: Tax Agent Services as prescribed in clause 29.

#### 12. AUTHORITY TO LODGE

In conjunction with this firms billing arrangements above, before we lodge any documents on your behalf, we will forward these to you to review and to authorise lodgment. We will endeavour to ensure the returns are lodged by the due dates and will have confirmed when documentation should be provided to us. If you are late in providing information, we will do our best to meet the time limits, but we will not be responsible for any penalties you may incur. It is our policy that documents will not be lodged until our professional fees have been paid in full.

#### 13. INDEPENDENCE AND CONFLICTS OF INTEREST

We have procedures in place to periodically assess our independence assigned to your engagement. We will notify you in a timely manner should we become aware of any conflict of interest or independence issues. If during the engagement you become aware of any conflict of interest or potential conflict of interest or there is a change of circumstances which may result in a conflict, you must advise us.

Events that may give rise to a conflict of interest or potential conflicts of interest include:

- a) Events affecting you, such as deaths, matrimonial disputes as well as litigation (threatened or actual);
- b) Changes to the structure of your business or your business relationships; or
- c) Offering an employment opportunity to a current or former employee of this firm.

#### 14. CONFIDENTIALITY

We will conduct this engagement in accordance with professional and ethical standards issued by the APESB. The information acquired from you for this engagement is subject to strict confidentiality requirements and will not be disclosed by us to other parties except as required by law or professional and ethical standards unless we have your written consent. We use several information technologies in our practice. These technologies include on site computers, mobile telecommunication devices, servers, on site back up servers and drives, offsite servers, and online cloud services. When engaging our services, you acknowledge and agree that your personal information may be stored locally and in data centres located in Australia/overseas. Our files and systems may be subject to review as part of the quality control program of a Recognised Professional Accounting Association which may monitor our compliance with the required professional standards. We will advise you if this should occur.

#### 15. PRIVACY

Our privacy policy is available on the home page of our website. You can access this policy at <https://canberrataxsolutions.com.au>

#### 16. THIRD PARTY INVOLVEMENT

We are not responsible to anyone [other than you] who obtains access to anything we produce without our prior written permission. Sometimes, we may outsource some of our work, which involves agreeing with a third party to provide specific processes, functions, services, or activities for us. As part of our engagement, the services of an external consultant or expert, e.g., a bookkeeper, external accountant, quantity surveyor, or lawyer, are required. In performing these services, we may provide these third parties with access to your data to the extent necessary to perform the services. Acceptance of our services in conjunction with this engagement document indicates your acceptance of using outsourced services as described above. **We currently do not, nor do we intend to, engage overseas outsourced accounting services.**

**We have or may enter outsourcing arrangements with:**

- a) Outlook, Microsoft Office 365, Teams and Zoom for client emails and communications based in the USA.
- b) LodgeiT, and QuickBooks (QBO) online [a cloud-based accounting and tax preparation software system] based in Australia.
- c) Dropbox, Dropbox Sign & Hello Sign [a cloud-based document management and electronic signature systems] based in the USA.
- d) The Messaging Company (formerly iiNet) [for all our emails, contacts etc.] based in Australia.
- e) Annature [a cloud-based electronic identity verification, document management and electronic signature system] based in Australia.
- f) Zoho Books [a cloud-based e-invoicing software provider] based in Australia.
- g) Stripe [a secure online payment gateway] based in the USA.

## 17. SAFE HARBOUR FROM PENALTIES (TAXATION SERVICES ONLY)

Under the *Taxation Administration Act (Cth) 1953*, a taxpayer who uses a registered tax agent will benefit from a safe harbour from certain administrative penalties in certain circumstances. Penalties may not apply to the taxpayer where:

- a) A false or misleading statement is made through a careless act or omission of the tax agent, provided the taxpayer has taken reasonable care to comply with their tax obligations by giving their tax agent the information necessary to make the correct statement,
- b) A document (such as an income tax return) is not lodged on time by the tax agent or in the approved form due to a careless act or omission of the tax agent, provided the taxpayer gave the agent the necessary information, in sufficient time, to lodge the document on time and in the approved form; and
- c) A document (such as an income tax return) is not lodged on time by the tax agent or in the approved form due to a careless act or omission of the tax agent, provided the taxpayer gave the agent the necessary information, in sufficient time, to lodge the document on time and in the approved form.

## 18. TAXPAYERS RIGHTS AND OBLIGATIONS UNDER TAXATION LAWS (TAXATION SERVICES ONLY)

The taxation laws confer on you certain rights (such as the ability to challenge a decision of, or an assessment issued by, the Australian Taxation Office) but also imposes obligations on you (such as the keeping and retaining of adequate and accurate records and the filing of relevant returns with the Australian Taxation Office within the required lodgment dates). We will keep you informed on your specific rights and obligations under the taxation laws that become relevant from time to time during the services we perform for you. The onus is on you to self-assess and there are substantial penalties for lodging incorrect returns. Therefore, it is your responsibility to review a draft income tax return carefully to ensure that items shown are correct and are accurately stated and, if there are any matters in the return that are incorrect, the appropriate adjustments are made prior to lodgment. Further, if there is any matter in the draft income tax return where the tax treatment is unclear, then this matter should be discussed with us to determine the appropriate disclosure to minimise exposure to potential penalties. This engagement does not cover any inquiries, investigations, or audits made or conducted by the Australian Taxation Office.

## 19. INSURANCE POLICIES

We hold Professional Indemnity Insurance (PI), Cyber and Public Liability insurance policies of at least the minimum amount prescribed by the accounting professional bodies by-laws or as required by law. Our Professional Indemnity Insurance details are updated with the Tax Practitioners' Board upon renewal and a Certificate of Currency is available to inspect on request.

## 20. PAPERLESS OFFICE AND EMAIL POLICY

We operate a paperless office for all client records, working papers, and signed documents. Accordingly, original documents are scanned in an unalterable image format. Electronic documents are stored and regularly backed up with appropriate security. Email is our preferred method of communication due to its convenience, speed, written format, ease of response, paperless integration, ability for attachments, and lower reliance on paper and postage under our sustainable business practices. The recipient is responsible for virus-checking emails and attachments. There is a risk of non-receipt, inadvertent misdirection, or interception by third parties in any form of communication, whether electronic, postal, or otherwise. We are not responsible for any such matters beyond our control.

## 21. METHODS OF ALTERNATE COMMUNICATION

- a) You agree that we may correspond with you primarily via email, but also utilising our, web chat, social media, Dropbox, voice, video chat (Zoom), Short Messaging Services (SMS), and/or in writing by post (where no email address exists) unless you expressly request otherwise.
- b) Where documents are transmitted to you electronically, you agree to release us from any claim you may have because of any unauthorised copying, reading or interference with that document after transmission, for any delay or non-delivery of any document and for any damage (including computer viruses) caused to you by the transmission.

## 22. INSTALMENT ACTIVITY STATEMENTS (IAS) AND BUSINESS ACTIVITY STATEMENTS (BAS) LODGEMENTS

Monthly IAS and/or quarterly BAS returns will be prepared and lodged based upon the financial information provided, which, on occasions, may be prepared and lodged without review of primary source documents. Therefore, it is possible that, when the financial accounts are prepared, discrepancies may be noted between the information disclosed in quarterly BAS returns and the annual income tax return. I acknowledge that any fees for such corrections will not be our responsibility.

## 23. OWNERSHIP OF DOCUMENTS AND DATA

- a) All original documents obtained from you during our engagement shall remain your property. However, we reserve the right to make copies of the original documents for our records. Our engagement will result in the production of documents which will be supplied to you, such as income tax, IAS/BAS returns, ownership of these documents will vest in you.
- b) All other documents produced by us in respect of this engagement will remain the property of our practice. This firm has a policy of exploring a legal right of lien over any client documents in our possession in the event of a dispute.

## 24. LIEN OVER DOCUMENTS

If permitted by law, we may exercise a lien over all documents in our possession until all outstanding professional fees are paid in full.

## 25. DOCUMENT RETENTION

- a) All records are kept at our premises for a period of one (1) year and then archived for a further four (4) years. Documents will be destroyed after five (5) years unless we are specifically requested not to do so.
- b) There will be a cost for both retrieving documents from archives and for holding the documents for more than five (5) years.

## 26. RIGHT TO VARY STANDARD TERMS AND CONDITIONS

Our standard terms and conditions can be varied or amended in writing from time to time without notice. You will be provided with an updated document if there are any changes made to these standard terms and conditions.

## 27. ELECTRONIC PAYMENT OF TAX REFUNDS

Your tax refund (if applicable) will be deposited to your bank account by Electronic Funds Transfer (EFT) by the ATO to the bank account recorded on the front cover of your income tax return and at Part B of our Electronic Lodgement Declaration (ELD). It is your responsibility to ensure that the bank details recorded on your tax return are correct.

**28. LIMITED LIABILITY**

Our liability under this engagement is limited by a Professional Standards Scheme approved under the Professional Standards Legislation. Further information the scheme can be obtained from the website of the Professional Standards Council at <https://www.psc.gov.au>

**29. TERMINATION OF PROFESSIONAL SERVICES**

- a) You may choose to terminate our engagement by giving seven (7) days written notice of termination. If you choose to do so, you shall be immediately obliged to pay all fees for work completed and for other charges incurred up to the date of the termination.
- b) Subject to fulfilling our professional responsibilities, we may terminate our engagement at any time by giving you reasonable notice or if our fees are not paid when due.
- c) Discourteous, rude, or aggressive behaviour to any of this firms staff member(s) will void these Standard Terms of Engagement: Tax Agent Services immediately, with any fees incurred to date being due and/or any retainer fees paid being non-refundable.
- d) On termination, whether by you or us, if you request us to provide any documents to you or to your new accountants, we may charge you a reasonable fee of between \$50 and \$200 for arranging the documents to be provided to you.

**30. ASSIGNMENT**

- a) You may not transfer, assign, or novate your rights or obligations under these Standard Terms of Engagement: Tax Agent Services without the prior written consent of us.
- b) We may not assign this Agreement to any successor to our business without the prior written consent of you.

**31. FORCE MAJEURE**

Neither party will be liable to the other for any delay or failure to fulfil their obligations under this contract (other than payment obligations) to the extent that any such delay or failure arises from causes beyond their control including but not limited to fire, floods, acts of God, terrorist acts, strikes or lockouts, war, riot or any government act or regulation. This clause does not apply in relation to any obligation to make payments.

**32. APPOINTMENT OF TAX AGENT AND AUSTRALIAN TAXATION OFFICE (ATO) AUTHORISATION**

By engaging with us, I agree to authorise us to add this entity to our Online Services for Agents (Tax Agent Portal), using my individual Tax File Number (TFN) or Australian Business Number (ABN) that I supply us as the unique identifier.

We will act on your behalf in respect to your dealings with the ATO. As your authorised Tax Agent, you consent to us:

- a) Adding you to our client list with the ATO’s electronic lodgement facility.
- b) Adding you to our client list on the ATO’s Tax Agent view of OSfA.
- c) Adding you to our Standard Business Reporting (SBR) enabled software client list.
- d) Representing you in the dealings with the ATO in relation to Income Tax (ITR’s) and Activity Statement (AS) provisions.
- e) Preparing and lodging of AS’s, Payment Summary information, ITR’s and/or Taxable Payment Annual Reports (TPAR’s).
- f) Having access to historical ITR’s, AS’s, TPAR’s and other tax related information that may have been provided to the ATO.

**33. ATO INSTALMENT NOTICES, NOTICE OF ASSESSMENT AND CORRESPONDENCES**

You accept that if you have a My Gov account, the ATO will send you correspondence through your My Gov inbox. If you do not have a My Gov account linked to the ATO, then you will receive your ATO correspondence by regular mail to the postal address recorded on your tax return.

**34. ACCEPTANCE OF ENGAGEMENT**

Both parties agree to be legally bound by and comply with all of these Standard Terms of Engagement: Taxation Services, including any written attachments and is accepted by:

Client signature .....

Issuer signature



Client name (please print) .....

Stephen Carroll, for and on behalf of Canberra Tax Solutions

Date ..... / ..... / 2024

Date ..... / ..... / 2024